

From: Marco Giamberardino, NECA [<mailto:marco.giamberardino@necanet.org>]
Sent: Wednesday, December 03, 2014 3:20 PM
To: Martin, John (Roe)
Subject: NECA Supports Immediate Action to Reform the Multiemployer Pension System



December 3, 2014

Dear Rep. Phil Roe:

The National Electrical Contractors Association (NECA) is in full support of legislation to reform the multiemployer pension system and make permanent the multiemployer provisions of the Pension Protection Act (PPA) of 2006. Passage of this legislation is NECA's number one priority and we urge Congress to act expeditiously before these provisions expire on December 31, 2014.

Nearly three years ago, NECA and more than forty labor and management stakeholders partnered together to create a proposal – known as “Solutions Not Bailouts” – that made several carefully negotiated recommendations to address the many challenges facing multiemployer pension plans. This proposal includes elements key to ensuring the viability of these funds, including fixes that would assist deeply troubled plans heading toward insolvency, technical provisions that will improve the current system, and new flexible plan design options aimed at reducing employers risk and eliminating withdrawal liabilities. It is important to note that the terms of this proposal are not mandatory and would be subject to the collective bargaining process on a case-by-case basis.

For over 60 years, NECA contractors have worked through the collective bargaining process to offer pension plans that would help bring security, dignity, and peace-of-mind to all plan participants, retirees and surviving spouses, as well as its contributing employers.

The need for multiemployer pension reform is real and it is immediate. Failure to act now would exacerbate the current issues, making it more difficult to address these problems later on, and potentially subject these plans to insolvency. Employers need a system that does not place their businesses at risk, and employees and retirees need to know that their retirements are secure. The bottom line is that financial collapse of the system would be detrimental to workers and taxpayers alike.

We urge you to act on multiemployer pension reform legislation before the 113th Congress adjourns. Please do not hesitate to contact me at 301/215-4522 or marco@necanet.org if you have any questions.

Sincerely,

Marco A. Giamberardino
Executive Director, Government Affairs